WHAT IS CLAIMED IS:

1. A process for preparing cilostazol comprising:

a) dissolving 6-hydroxy-3,4-dihydroquinolinone and a water-soluble base in water to form an aqueous phase,

b) dissolving a 1-cyclohexyl-5-(4-halobutyl)-tetrazole in a water-immiscible solvent to form an organic phase,

c) forming a biphasic mixture by contacting the aqueous phase and the organic phase in the presence of a quaternary ammonium phase transfer catalyst,

d) and recovering cilostazol from the biphasic mixture.

2. The process of claim 1 wherein the molar quantity of the 6-hydroxy-3,4-dihydroquinolinone is greater than the molar quantity of the 1-cyclohexyl-5-(4-halobutyl)-tetrazole.

3. The process of claim 1 wherein the water-immiscible solvent is selected from the group consisting of toluene, hexane, dichloromethane and mixtures thereof.

4. The process of claim 1 wherein the quaternary ammonium phase transfer catalyst is selected from the group consisting of tricaprylylmethylammonium chloride, tetra-n-butylammonium bromide, benzyltriethylammonium

chloride, cetyltrimethylammonium bromide, cetylpyridinium bromide, N-benzylquininium chloride, tetra-n-butylammonium chloride, tetra-n-butylammonium hydroxide, tetra-n-butylammonium iodide, tetra-ethylammonium chloride, benzyltributylammonium bromide, benzyltriethylammonium bromide, hexadecyltriethylammonium chloride, tetramethylammonium chloride, hexadecyltrimethyl ammonium chloride, and octyltrimethylammonium chloride.

5. The process of claim 4 wherein the quaternary ammonium phase transfer catalyst is selected from the group consisting of tricaprylylmethyl ammonium chloride, tetrabutylammonium bromide, triethylbenzylammonium bromide and mixtures thereof.

6. The process of claim 5 wherein the quaternary ammonium phase transfer catalyst is tricaprylylmethyl ammonium chloride.

7. The process of claim 1 wherein the water-soluble base is an alkali metal hydroxide, carbonate or bicarbonate.

8. The process of claim 7 wherein the water-soluble base is selected from the group consisting of NaOH, KOH, K_2CO_3, Na_2CO_3 and $NaHCO_3$.

9. The process of claim 8 wherein the water-soluble base is NaOH.

10. The process of claim 1 further comprising dissolving a reaction promoter selected from the group consisting of potassium carbonate and sodium sulfate in the water.

11. The process of claim 1 wherein the 1-cyclohexyl-5-(4-halobutyl)-tetrazole is 1-cyclohexyl-5-(4-chlorobutyl)-tetrazole.

12. Substantially pure cilostazol prepared by the process of claim 1.

13. A process for purifying cilostazol by recrystallization from a solvent selected from the group consisting of 1-butanol, acetone, toluene, methyl ethyl ketone, dichloromethane, ethyl acetate, methyl t-butyl ether, dimethyl acetamide-water mixtures, THF, methanol, isopropanol, benzyl alcohol, 2-pyrrolidone, acetonitrile, Cellosolve, monoglyme, isobutyl acetate, sec-butanol, tert-butanol, DMF, chloroform, diethyl ether and mixtures thereof.

14. Highly pure cilostazol free of impurities.

15. Micronized cilostazol of small particle size and narrow particle size distribution.

16. Cilostazol having an average particle size of less than 200 micrometer.

17. Cilostazol having an average particle size of less than 20 micrometer.